



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
AIR AND RADIATION

May 13, 2002

Mr. Doug Johnson
Director, Technology Policy
Consumer Electronics Association

Mr. Jason Linnell
Manager, Environmental Affairs
Electronic Industries Alliance
2500 Wilson Boulevard
Arlington, VA 22201

Dear Doug and Jason:

Thank you for providing industry's thoughts on the TV/VCR grandfathering issue as outlined in your letter dated April 18, 2002. Like you, we are committed to continuing our constructive dialogue on TVs and VCRs as well as other aspects of the ENERGY STAR[®] program.

After careful review of your letter, ENERGY STAR has developed a proposal that addresses industry's grandfathering concerns and allows us to quickly finalize the Version 2.0 TV/VCR specification. Although EPA remains committed to removing grandfathering language from the TV/VCR specification, we want to avoid placing any undue burden on industry. The details of our proposal are as follows:

- EPA will agree to a two-year delay in the effective date as long as the specification that takes effect on July 1, 2004 is the Phase II criteria in the current draft. In other words, by July 1, 2004 all products must consume 1 watt or less in standby to be ENERGY STAR.
- Products not currently covered under the Version 1.0 specification (i.e., component television units, DVD combination units, and television monitors) will be eligible to qualify as ENERGY STAR beginning on July 1, 2002 provided that they meet the Phase I criteria in the current draft. For example, in approximately three months, component television units with a standby mode of 3 watts or less may bear the ENERGY STAR label.
- For all other products (i.e., TVs, VCRs, and TV/VCR combination units), the Version 1.0 specification (i.e., 3, 4 and 6 watts, respectively) will be extended for two more years.
- EPA will base effective dates on the shipment date from the manufacturer. As proposed by EPA, a television model, for example, with a shipment date from the manufacturer of

on or before June 30, 2004 may qualify as ENERGY STAR at 3 watts or less. However, a television model with a shipment date of July 2, 2004 must meet the 1-watt specification in order to qualify as ENERGY STAR.

- EPA will revise the Version 2.0 specification as described above and introduce it through the Partnership Agreement prior to July 1, 2002. In order to remain ENERGY STAR partners, manufacturers must sign the Agreement and begin implementing the partner commitments. Existing partners who fail to sign a Partnership Agreement by August 30, 2002 will be removed from the ENERGY STAR Partner List.

For clarity, the three key partner commitments address:

- product labeling;
- submittal of qualified product information; and
- submittal of unit shipment data.

To accommodate production cycles, partners will be allowed up to 3 months after signing the Agreement to completely phase in product labeling. In addition, partners will be required to provide an updated list of qualifying models on an annual basis and preferably on a monthly or quarterly basis as models are introduced or discontinued. Finally, unit shipment data will be collected from the TV/VCR industry for the 2002 sales year in early 2003 (no later than March), following the format previously discussed and implemented between EPA and EIA/CEA.

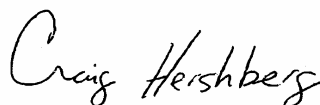
Once again, we look forward to your prompt feedback on this latest proposal. Please feel free to contact us if you feel further clarification is needed. As July is quickly approaching, we will begin revising the Version 2.0 draft specification so it is ready for final review and distribution to interested manufacturers.

Thank you for your time and attention to this important matter.

Regards,



Ann Bailey
Branch Chief
ENERGY STAR Product Labeling



Craig Hershberg
Product Manager
ENERGY STAR for Consumer Electronics

Encl.: Sample ENERGY STAR Partnership Agreement